

RESOLUTION NO. 75476

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE DIRECTOR OF HOUSING TO:
(i) ACCEPT A BROWNFIELDS CLEANUP REVOLVING LOAN FUND GRANT FROM THE CALIFORNIA DEPARTMENT OF TOXIC SUBSTANCES CONTROL; AND (ii) NEGOTIATE AND EXECUTE THE GRANT AGREEMENT AND ANY AMENDMENTS OR OTHER DOCUMENTS NECESSARY TO IMPLEMENT THE GRANT

WHEREAS, on May 19, 2009 the Council of the City of San José ("City") approved a construction/permanent loan of up to \$11,228,000 for the 92-unit Orvieto family Apartments ("Project"); and

WHEREAS, on May 6, 2010 the City's Department of Housing submitted an application for a Brownfields Cleanup Revolving Loan Fund ("BCRLF") grant of up to \$525,000 to the California Department of Toxic Substances Control ("DTSC"); and

WHEREAS, once the BCRLF grant is received the funds would be used to augment the previously approved construction/permanent loan which will allow the City to reduce the loan commitment by \$525,000 or would allow the developer to pay up to \$525,000 of accrued interest on the City's land acquisition loan, instead of capitalizing that amount into the construction/permanent loan; and

WHEREAS, the City now desires to authorize the Director of Housing to accept the BCRLF grant and to negotiate and execute the grant agreement, and any amendments or other documents necessary to implement the grant, with the DTSC for the cleanup of the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

The Director of Housing is hereby authorized, as more specifically set forth in the Director of Housing's report dated June 3, 2010, to:

1. Accept a Brownfields Cleanup Revolving Loan Fund grant, in the amount of up to \$525,000, from the California Department of Toxic Substances Control.
2. Negotiate and execute the grant agreement and any amendments or other documents necessary to implement the grant for cleanup of the site of the previously approved 92-unit Orvieto Family Apartments, an affordable rental project located at the Southeast corner of Montecito Vista Way and Montecito Vista Drive, to be developed by ROEM Development Corporation, or its legal affiliate.

ADOPTED this 22nd day of June, 2010, by the following vote:

AYES: CHIRCO, CHU, HERRERA, KALRA, LICCARDO,
NGUYEN, OLIVERIO, PYLE; REED.

NOES: NONE.

ABSENT: CAMPOS, CONSTANT.

DISQUALIFIED: NONE.

ATTEST:



LEE PRICE, MMC
City Clerk



CHUCK REED
Mayor